

A POLICY FOR THE ENVIRONMENT IN EUROPE

Speech by Mr Carpentier  
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I should like, first of all, to thank the organizers of this Conference for having invited the Commission of the European Communities to take part in these discussions, which should give businessmen a better idea of the way environmental problems affect their activities and the ways in which they and the public authorities will have to remedy those problems.

Mr Spinelli, who was unfortunately kept in Brussels by other engagements, has given me the perilous honour of taking his place here. I shall do my best to be worthy of that honour by helping in a small way to analyse the environmental problems and policies that the European Community has to deal with; to show how the Community, soon to be enlarged to ten countries, appears to be particularly well placed to deal successfully with some of them; and to comment on the proposals which the Commission submitted last March to the Council of Ministers.

Lastly, in reply to the question of how your business will be affected, I shall try to show the action taken by the European Community on the environment may affect industrial firms.

### I. GENERAL CONSIDERATIONS

As testified by the recent conference of the United Nations at Stockholm, today every country in the world is worried about "the environment". This general term has different meanings depending on the user. The Commission has combined the various definitions into the following formula which I put before you: the environment consists of all those elements which, in an intricate relationship, form the surroundings, the setting and the living conditions of man and society, as they are or as they are experienced.

Analysing this concept more closely, it is helpful to distinguish, on the one hand, the physical environment consisting of the natural resources and elements (water, air, earth) and on the other hand the social environment, namely, the material and immaterial elements that form the setting and conditions of our lives (housing, means of transport, the infrastructure providing for care, amenities, culture, but also the chance to educate oneself, to act freely, to expand one's life).

With this analysis, the ills besetting the environment today can be diagnosed more easily.

The physical environment has been suffering a continuous and accelerated deterioration for several decades, owing to the rapid rate of economic expansion in the industrialized countries and also to the sometimes terrifying efficacy of modern techniques and products, the crowding of the people into more and more gigantic towns, and the continual growth of the population both in age and in numbers.

The water and air carry a growing burden of polluting substances and discharged waste. The sea, in particular, is daily becoming simply a huge dumping ground, and in some parts its cleansing power is already saturated or rapidly becoming so. In this connection the remarkable first report by the Royal Commission on pollution of the environment gives eloquent details: the waters of the Baltic have lost most of their oxygen; along the east and south coasts of England alone, 5 million m<sup>3</sup> of domestic waste,  
                   3     "     " of industrial waste,  
                   and 7     "     " of cooling water  
 are discharged every day.

The heedless use of pesticides, weedkillers and fertilizers, in a farming system that is increasingly industrialized and organized with the single aim of enhancing the productivity of each acre, leads to

impoverishment of the land, soil erosion, and the poisoning of foodstuffs to a greater or lesser degree with residues of pesticides, wekillers and chemical fertilizers.

Meanwhile, the social environment is being improved unequally and without justice, and in some cases is deteriorating.

I was greatly struck by the speech made at Stockholm by Mr McNamara, President of the World Bank. He pointed out that the number of starving or undernourished people in the world is estimated to be over 1000 million, and that the number of illiterate adults has increased by 100 million in the last 20 years. In the so-called "developing countries", one-fifth of the working population are jobless or underemployed, and infantile mortality is four times higher than in the developed countries. Some of these countries have only one doctor for 5000 inhabitants, as against one for 700 in the USA.

In the industrialized countries, although the general standard of living has risen, the quality of life available to the people differs noticeably from one social class to another and from one region to another.

In our society a person, apart from a very few privileged people, is still a commercial value for employers, and a registered number and a statistical figure for the administration and public departments.

The deterioration of the physical environment is bound to affect the social environment in two ways. First, it makes it worse or hinders improvement. For instance, the atmospheric pollution and noise found in most towns (London is becoming a happy exception) is often additional to housing and transport difficulties. Similarly the pollution of the rivers and seas spoil the amenities.

Secondly, under necessarily limited budgets, the funds allocated to anti-pollution measures are likely to compete against those assigned to improving collective equipment, whilst the incorporation of anti-pollution costs in prices will reduce the purchasing power of the lowest income brackets.

Hence, when dealing with the environment, we must never forget its dual nature, the physical and the social, indissolubly linked.

Latterly, indeed, following the MIT report on growth limits and the Blueprint for Survival, the whole policy of expansion was brought into question. Supporters and opponents of reduced growth clash in arguments which, though theoretical, are of importance to the general orientation of future policies.

Consequently, it is not surprising that, faced with the growing deterioration of the physical environment, the mounting desire of the public for a better social environment, and the reflections engendered by forward surveys, the governments of the industrialized states, and particularly those of the European Community Member States and acceding states, have concerned themselves with this question and that the Commission and the representatives of the Member States of the Community of Ten have begun to lay the foundations of a common European environment policy.

Before I describe in detail the motives underlying that policy and the proposals made by the Commission in that field, allow me to illustrate them with a few general considerations.

#### 1. The natural and social environment: a new dimension rather than a new field

The environment, as we have seen, consists of various physical and social, material and immaterial elements, which must first of all be analysed and carefully defined before we can choose the most appropriate measures to solve the problems and set up the bodies most capable of applying these measures.

There are several distinct problems (Table 1):

- (a) pollution and nuisances: effects on man and nature;
- (b) the conservation of natural assets;
- (c) urban and rural planning, and particularly town planning;
- (d) the orienting of future progress towards the satisfaction of man's real needs, expressed no longer simply in quantity but in quality: improvement of working and living conditions.

The solving of these problems depends on the nature and the vigour of the action taken in widely varying sectors - industry, agriculture, power, transport, housing, public health, and town and country planning.

Depending on the importance assigned, in a given political, economic and social context, to one or another of these activities, it is generally the Minister responsible for it who has the task, within the Government, of directing and coordinating action concerning the environment.

In Great Britain, the office of the Secretary of State for the Environment covers the Ministries of Housing and Local Government, Public Buildings and Works and Transport.

In Germany, owing to the extent of the powers vested in the Länder and the municipalities, it is the Ministry of the Interior which is responsible for environmental matters.

In the Netherlands, this role falls to the Ministry of Health.

In France, A Ministry for the Protection of Nature and the Environment was created in 1970.

Everywhere there are still problems of organization and structure, of balance between the authorities responsible for coordination, planning and execution in environmental matters, and of relations

T a b l e 1.

THE OBJECTIVES OF AN ENVIRONMENTAL POLICY.

- 1) Reduction of pollution and nuisances as regards their harmful effects on man and on ecological balances
- 2) Preservation of natural resources
- 3) Land use (especially towns) planning
- 4) Satisfaction of the real needs of mankind expressed in qualitative as well as quantitative terms.

between overall planning and sectoral policies. Arbitration is called for between different conceptions which are inevitably conflicting because they relate to different scales of value.

Should a road be built along the most economical route if it will thereby threaten the existence of a forest or destroy the peace of a residential area? Is it right or wrong to prohibit the use of a substance considered to be noxious or undesirable and thereby compel a certain number of firms to close down or convert to other activities? Should we step up the production of this or that crop in a given region, thereby enhancing the risk of eutrophication of a neighbouring lake or river and increasing the pesticide content of the crops? Or should we limit this content and reduce the crop level in a region already suffering from social distress? Should one slow down the production rate in factories by abolishing piecework, and run the risk of no longer producing at competitive prices and having to shut down the factory?

The answer to these questions depends on the priorities given to the values to which the State refers implicitly or explicitly - the value of efficiency and yield, the value of solidarity and safety, of responsibility, of the human being, or of nature.

Yet it is surely clear that to change this order of precedence, to switch from the priority given to efficiency values to an increasingly insistent reference to other values such as responsibility towards other people of the present and future generations and towards their natural and social environment, can only be achieved effectively and without serious upsets in the industrialized free-economy countries insofar as such a change is generally accepted throughout those countries.

The Community of Ten, whose trade represents 41% of world exports and imports, is both vulnerable and strong in this respect.



Vulnerable, because this vital high percentage of exports depends on its prices and the productivity of its firms.

Strong, because its present economic power (a GNP of 637,000 million dollars as against 933 in the USA and 288 in the USSR, a population of 257 million, a powerful industry, the largest steel output and merchant fleet in the world), together with the expected strengthening of its economic, monetary and political unity, should enable it to persuade the other major economic and industrial powers to accept the changes which it will, sooner or later, itself have to impose on its production and consumption system, to meet the social aspirations of its peoples and the need to conserve the environment.

## 2. Need for greater basic knowledge

An essential feature of any environmental policy is that it demands an objective analysis of the facts and a prospective study of the consequences that will stem from the choice of any one of the possible measures.

Unfortunately we have to admit, as regards the fight against pollution for instance, that both these things are extremely difficult to perform. They come up against the inadequacy of scientific knowledge and complete, irrefutable economic statistics, and the absence of sufficiently simple, reliable methods of estimating and assessing all the facts.

The effects of pollutants, taken separately or together, are still assessed differently in scientific circles. The methods of measurement and their application often vary from country to country, and indeed from laboratory to laboratory. There are still gross errors in the evaluation of the costs of the damage done by pollution or the steps to be taken to combat it. The economic and social consequences of the steps taken are only very roughly assessed.

This difficulty has several consequences. It leads the States to take conservative measures whilst leaving to the economic agents the task of proving to them that these measures are bad and of finding the right technical answers.

Where these conservative measures are liable to affect the country's foreign trade, the States will naturally choose the ones that are least detrimental to the national economy. Hence there is a great risk that, intentionally or not, a new kind of protectionism based on protection of the environment will grow up, simply by reason of the diversity of economies.

An environmental policy must therefore aim at obtaining and disseminating fuller knowledge, preparing reliable economic statistics, and seeing to it that the measures taken to protect the environment are as closely compatible as possible with a due respect for freedom of trade and competition.

### 3. Respective roles of the local, national and Community authorities

In matters of pollution and nuisances, the place for action is obviously on the spot, where they occur.

Nevertheless, in view of the complexity of the appraisal factors involved in such action, and its general, political, economic and social consequences, it is not certain that its nature should be decided upon locally; or at any rate, it will often be necessary to plan the action in the context of an overall political and economic design.

The part to be played by the local, national, Community and international authorities respectively in defining and applying the decisions ought to be clearly specified.

In the Commission's opinion, the European Community should be the body that provides a general framework of evaluation and regulation, i.e., (Table 2) it should:

- (a) help in the recognition and joint statement of problems;
- (b) issue regulations where public health is menaced,  
                     where living conditions are inadequate,  
                     where the movement of goods is jeopardized,  
                     and where the terms of competition are deliberately distorted;
- (c) establish common principles regarding the use of the regulatory or economic means employed against pollution, so as to prevent economic and social difficulties that might become sources of conflict between Member States (e.g., differences between the standards, due to an unequal assessment of the hazards linked with pollution; different ways of using financial incentives).
- (d) provide services at the European level, e.g.

surveys;  
 research and development;  
 creation of new legal frameworks (joint undertaking, association contracts);  
 cooperation in the fields of education, forward studies;  
 organization of forums to reflect on the practical problems of administrative organization;  
 and so forth.

As a general rule, the practical implementation of the measures to be taken should be left to the regional and national authorities, without prejudice to the role of the Court of Justice. Similarly, the natural conditions and social characteristics of the various regions must be taken into full consideration.

Table 2.

WAYS AND MEANS OF INTERVENTION OF THE  
EUROPEAN COMMUNITIES  
IN THE FIELD OF ENVIRONMENT.

Present state.

1)	<u>Objective evaluation of the risks to human health and to the environment resulting from pollution (determination of criteria and guide levels)</u>		Studies on lead Safety standards in the nuclear field
2)	<u>Evaluation of economic and social consequences of pollution and anti-pollution measures (determination of statistical evaluation for the main polluting activities)</u>		Working group
3)	<u>Regulations and directives</u>	Determination of product standards  Determination of regional environment quality standards  Harmonization of measurement techniques and methods  Agriculture directives  Social directives	car engines Diesel engines solvents pesticides detergents, etc.     to come   two under preparation (hill farming afforestation)
4)	<u>Financial incentives</u>	- 1. <u>indirect</u> aid control (art. 92 and following: art. 101) Harmonization of taxes  - 2. <u>direct</u> Research and development	Under application : in course   E C S C (       \$) COST Euratom Biology programme Euratom Common Center of research 3,106 \$ in 1972

Agricultural policy	}	through EAGGF	
regional policy			
European Investment Bank			
European development Fund		in force	
5) <u>External policy</u>	!	- Common Trade policy	in force
	!	- Common attitude in	
	!	international organi-	
	!	zations (when directives)	
	!	- Common action	in force
	!	in international	under
	!	organizations (art.116)	preparation
6) <u>General Rules and principles</u>	!	- Medium-term economic	}
	!	policy	
	!	- Energy policy	}
	!		
7) <u>Facilities</u>	!	Juridical frameworks	proposed for the
	!	(joint undertaking)	Rhine Basin
	!		
	!	Research center	
	!	Processing and dissemination	in force
	!	of information center	
	!		
	!	Educational reports	in force
	!		
	!	Traineeships	under
	!	Exchange of teachers	preparation
	!		
	!	European Environment	under
	!	Institute	study

## II. THE EUROPEAN COMMUNITIES AND ENVIRONMENTAL PROBLEMS

At the international level, the European Community is a new form of institution.

As you know, the Communities have:

a regulatory power which they exercise in the form of directives and regulations obligatory upon the Member States;

a Parliamentary watchdog;

a body of case law provided by the European Court of Justice;  
financial resources.

Many analysts of current efforts to preserve national assets and restrain pollution believe that the necessary conservation measures can be achieved only when a governmental body, having power to regulate the conduct of people within its jurisdiction, takes normative action on specific proposals. If this observation is valid - and I believe it is - the European Communities possess the only currently existing legislative structures to bring about adequate environmental protection in Europe.

These features, which distinguish the Community from the other international organizations, would not of themselves be a sufficient reason for it to intervene in the environmental sphere. But through the nature of its objectives, the rules by which it functions, and its own dynamic force expressed in the establishing of common policies, the European Community is directly concerned with the problems of environment and has a duty to propose and to take measures in this field.

### 1. The motives for a common environmental policy

#### The EEC

The EEC is involved with the protection and improvement of the environment in its objectives, its operation, and the defining and implementing of its policies.

a) The objectives of the EEC

Under Article 2 of the Treaty of Rome the EEC has the task of promoting a harmonious development of economic activities throughout the Community, a continuous and balanced expansion, a faster increase in the standard of living, and closer relations between its Member States. In the preamble to the Treaty instituting the EEC it is also stated that the High Contracting Parties are "directing their efforts to the essential purpose of constantly improving the living and working conditions of their peoples".

Obviously the attainment of these objectives cannot be conceived today without careful attention to the following matters:

- 1) The pollution caused by the pursuit of continuous expansion and a faster increase in the standard of living.
- 2) The utilization and husbanding of the natural resources upon which the achievement of these aims depends.
- 3) The improvement of the quality of life, which is, in the last analysis, the real reason for the objectives.

Economic growth must be controlled in keeping with quality requirements; conversely, a resolute policy to prevent the spoliation of the environment will, in the long run, be the one thing that makes the harmonious progress of economic growth possible.

b) The functioning of the EEC

The functioning of the EEC is also affected by environmental issues. The measures taken nationally to protect man and his natural surroundings against the harmful effects of certain products or activities are liable, if too disparate, to affect the whole operation of the common market, which is based on compliance with common rules and principles, particularly the free circulation of goods among member countries and the free play of competition; these must not be subject to hindrances, restrictions or distortions of any kind, apart from exceptions accepted or fixed by common accord.

In order to reduce and control pollution, national authorities employ very varied measures, including the fixing of standards relating to products or the surroundings, the prohibition of the fabrication or use of certain products or processes, methods of stimulating some form of production (grants, subsidies, financial and tax advantages) or discouraging others (duties, taxes and fines), public investment, the creation of new public services, etc.

These measures inevitably affect production and production costs. Disparities between them are therefore liable considerably to modify conditions of competition between the industries of different countries which are otherwise on equal terms. Disparate regulations relating to the production or utilization of products may also be equivalent either to quantitative restrictions or to technical barriers to trade incompatible with the operation of the Common Market.

c) The common policies

Actually, all the common policies are more or less involved with anti-pollution measures and the improvement of our surroundings; I will mention three examples:

the common trade policy has to take into account the way in which the economic effects of environmental measures may influence the development of international trade;

the common agricultural policy, through its action on the prices of farm produce and on structures and the resultant effects on town and country planning, the use of fertilizers, weed-killers and pesticides, and the quality of the produce grown, exercises a big influence on the natural surroundings and the quality of life,

the policy on competition has to bear in mind the way in which trade and competition will be affected by the government aid granted to certain undertakings to lighten the burden of costs they would normally have to carry on account of the pollution they cause.

EURATOM and ECSC

Euratom has been engaged since 1958 in activities designed to protect the public and workers from the dangers of ionizing radiation, whilst



To sum up, it is true to say that protection and improvement of the environment already form part of the Communities' mission. They enter explicitly or implicitly into their objectives, affect their underlying rules or principles, and are integrated to varying but steadily increasing degrees in their policies and in the specific measures taken under the three Treaties.

A common policy on the environment is therefore a prerequisite both for the attainment of the Treaty objectives and the creation of the economic and financial union decided upon in The Hague in 1969.

## 2. The content of a common environmental policy

In what should an environmental policy consist?

The Commission's first statement on a Community policy for the environment, approved in July 1971, already indicated the lines which it desired such a policy to take.

### 2.1 Continuation and strengthening of activities already begun (Table 3)

The first essential is to pursue and indeed intensify the activities relating to the environment in which the three Communities have already been engaged for some time by virtue of the powers granted them.

Thus the EEEC should continue to finance research programmes devoted both to the protection of workers against the dangers of dust and gas emission and to the elaboration of medical measures.

Euratom, for its part, will continue its work on the protection of the public and of workers against the dangers of ionizing radiations (see Table 3).

The EEC, for its part, will continue the work on the harmonization of legal systems which it has undertaken with the aim of eliminating technical barriers to trade and preventing distortions of competition.

T a b l e 3.

THE CURRENT ACTIVITIES OF THE THREE COMMUNITIES IN THE FIELD  
OF ENVIRONMENT PROTECTION.

EURATOM : Protection of the public and of workers against the dangers of  
ionizing radiations :

- Institution of basic standards
- Examination of prospects for the discharge of radioactive effluents
- Publication of measurements of ambient radioactivity
- Research in the field of biotopy and health protection.

E.C.S.C. : Research programmes devoted both to the protection of workers  
and improvement of new techniques against dust and gas emissions.

E.E.C. : Elimination of technical barriers to trade : directives with respect  
to motor vehicles, solvents, pesticides, fertilizers, detergents,  
diesel motors;

directives with regards to foodstuffs : e.g. residues of pesticides  
in fruit - vegetables - cereals.

Common policies

Agricultural policy : draft directives on hill farming and afforestation

Common commercial policy : GATT  
negotiations

Policy on competition : application of articles 92 - 93 - 101 - 102

Social policy

Energy policy : studies on consequences of environment protection  
measures on cost and supply of fuel

Regional policy

Research policy.

As regards the elimination of technical barriers, directives have already been adopted with respect to motor vehicles, and others are under discussion on solvents, pesticides, fertilizers, detergents, diesel engines, etc.

The Commission has also forwarded to the Council a project for the extension of the general programme on the elimination of technical barriers approved by the Council in 1969. This extension deals with the introduction of new products liable to have harmful effects on man or the environment, e.g., transport and public works equipment and fuels.

The requirements of environmental protection must also be respected when defining and implementing common policies. For example, the agricultural policy will have to take greater note than in the past of the effects of its measures on the utilization of the countryside.

## 2.2 Implementation of a plan of action

But the Commission believes that even an intensified pursuit of its past activities in relation to the environment would be an inadequate response to the scale and urgency of the problems raised by the protection and improvement of the environment. It therefore decided to present to the Council at its meeting on 24 March 1972 a communication relating to a Community programme on the environment; in its opinion the efforts being made by the European Communities to cut down pollution and improve the quality of life should be integrated into this programme.

The Commission has already forwarded the three following supplementary documents on which it requests the Council to express an opinion:

a draft agreement between the representatives of the governments of the Member States meeting in the Council, on the supply of information to the Commission with a view to the Community-wide harmonization of urgent measures on the environment;

a draft Council resolution concerning a programme for cutting down pollution and nuisances and safeguarding the natural environment;

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a draft recommendation on the purification of the Rhine from the Council to the Member States who signed the Berne Convention instituting the International Commission for the Protection of the Rhine against Pollution.

The Community programme presented by the Commission includes five main lines of activity (Table 4):

- 1) A programme to reduce pollution and safeguard the natural environment.
- 2) Notification of the national projects to the Commission, with a view to possible Community-wide harmonization of the urgent environmental measures.
- 3) The working out of a common attitude towards non-member countries (in particular the developing countries) and in the international organizations that deal with environmental problems.
- 4) Action connected with improvement of the working ambience inside factories and works.
- 5) Activities relating to the improvement and dissemination of knowledge and information on the environment: research, information processing and utilization, periodical reporting, training and education, town-planning studies and long-term studies in a European Institute for the Environment.

T a b l e 4.A EUROPEAN COMMUNITIES' PROGRAMME CONCERNING THE ENVIRONMENT.I. PROGRAMME TO REDUCE POLLUTION AND NUISANCES AND TO SAFEGUARD THE NATURAL ENVIRONMENTA. Réduction of pollution and nuisances

1. Objective evaluation of the risks to human health and to the environment resulting from pollution
2. Institution at Community level of quality health standards and common definition of quality objectives for the environment
3. Special action regarding sources of pollution, certain areas of common interest and certain pollutants of a special nature
4. Common definition of the principles for apportionment (and harmonization of their means of application) of the costs of pollution control,  
Harmonization of methods of evaluation and methods of financing these costs
5. Action to ensure application of and effective compliance with the regulations and limits set.

B. Conservation of the natural environment in the context of the agricultural policyC. Implementation of the above actions in successive stagesII. INFORMATION TO THE COMMISSION WITH A VIEW TO POSSIBLE HARMONIZATION THROUGHOUT THE COMMUNITY OF URGENT MEASURES CONCERNING THE ENVIRONMENTIII. EFFORTS TO REACH A COMMON POSITION IN INTERNATIONAL ORGANIZATIONS CONCERNED WITH ENVIRONMENTAL PROBLEMS.IV. ACTION TO IMPROVE THE WORKING ENVIRONMENT INSIDE FACTORIESV. ACTION CONCERNING THE IMPROVEMENT AND DISSEMINATION OF KNOWLEDGE AND INFORMATION ON THE ENVIRONMENT

1. Coordination or joint execution of research into pollution and nuisances.
2. Processing and utilization of data on pollutants and pollution control
3. Preparation of a periodical report on the state of the environment in the Community
4. Town planning studies
5. Action concerning training and education in connection with protection and improvement of the environment

### III. THE EUROPEAN COMMUNITIES' ENVIRONMENT PROGRAMME

#### 1. A Programme to Reduce Pollution and Nuisances and Safeguard the Natural Environment

##### A. Pollution and nuisances

The body of proposals on pollution and nuisances is designed to provide criteria for assessing situations, taking action and where necessary laying down regulations which the Communities, the Member States and local authorities can use or refer to in their decisions. The Commission advocates the following measures.

- (a) The establishment at Community level of an objective basis for assessing the risks caused by pollution to human health and the environment by defining criteria of noxiousness for the main air and water pollutants, determining guide levels and harmonizing sampling, analysis and measurement methods and techniques.
- (b) The institution of common health standards and the harmonization of the definition of objectives of environmental quality. The first stage will consist in a series of studies aimed at defining standards of quality for water for various purposes, and also in an attempt to harmonize the definition of quality objectives for air in cities, industrial and recreational areas.
- (c) The initiation of common measures concerning sources of pollution: industrial products and activities.

As regards products, when implementing the general programme for the elimination of technical barriers to trade, the Commission will take into account not only the objective of free circulation of goods but also that of improvement of the environment.

As regards economic activities, the restrictions imposed upon industries by the obligation to respect standards of environmental quality must be harmonized. The Commission, in collaboration with the national governments and professional circles concerned, will study procedures for the introduction of the least pollutant technical processes and equipment. It will carry out studies on particular sectors, including the metallurgical, iron and steel, chemical, foodstuffs, paper and leather industries. Special attention will be given to the environmental problems connected with the production of energy.

(d) Implementation of measures concerning areas of common interest.

As regards areas of common interest, immediate action is proposed in two regions which are of interest to several Member States and which have already reached a disquieting level of pollution, namely, the Rhine basin and the coasts of Community countries. The Commission considers that a programme of the purification of the Rhine must be drawn up as a matter of urgency by the International Commission for the Protection of the Rhine against Pollution: the Commission therefore proposes that the Council approve a recommendation on this subject to the Member States signatories of the Berne Convention instituting the International Commission.

The Commission also thinks it necessary to create a European Agency for the Rhine Basin, endowed with the status of Joint Undertaking, in which the interested Member States and Switzerland could participate.

As regards the pollution of the Community coasts, the Commission would like the Member States jointly to propose the creation of an international organization to specialize in the protection of the seas, and to be provided with adequate backing, particularly in the form of marine police. The Commission further considers that measures to regulate the discharge of effluents from the coasts must be coordinated at Community level.

(c) Special types of pollution.

Lastly, the Commission proposes to carry out certain studies to discover methods of reducing the effects of certain special types of pollution (radioactive and acoustic).

(f) The common definition of the principles, methods and techniques of assessing and attributing charges resulting from the combating of pollution. The Commission considers that the "make the polluter pay" principle advocated by the OECD Committee on the Environment must be applied; all the costs, including the social costs, must in a market economy be imputed to the products or activities which gave rise to them. This principle will promote a rational use of the limited resources of the environment, while at the same time avoiding distortions of trade and international investment. Grants should be awarded only in order to enable firms or even regional economies to adjust gradually to the new competition situation resulting from the restraints imposed by the anti-pollution drive.



The Commission, aided by a group of national experts and using the work already done by the OECD as a basis, is studying methods of applying the "make the polluter pay" principle, and also of evaluating the costs resulting from pollution and the anti-pollution drive.

- (g) Control of the application and effective observance of the regulations and limits imposed. It appears essential to harmonize the methods of control and to establish a data-collecting network and a system of mutual information. The national arrangements for supervising the application of the anti-pollution regulations must be defined and harmonized, as must the sanctions to be imposed in the event of infraction, which must be applied with severity. The Commission intends to exercise particular vigilance in this matter; it requests each Member State to submit to it and to the Council an annual report on the efforts it has made to ensure observance of the anti-pollution regulations.

B. The agricultural policy and the environment: safeguards for the natural environment, and quality of foodstuffs

The programme for cutting down pollution and nuisances is supplemented by proposals concerning the conservation of rural areas under the Common Agricultural Policy.

Since the conservation of rural areas is becoming one of the priority tasks of public authorities, it is necessary to re-examine policies which govern their use, and in particular the agricultural policy. Agriculture is carried on over the

greater part of the territory and is an integral part of the rural scene; if it can adapt itself, it may therefore help greatly in satisfying the new needs for rest and recreation areas in the countryside which are felt acutely by our industrial society.

The Commission will intensify its activity in this field and propose to the Council, before July 1972, two directives concerning the grant of subsidies in order to prevent the depopulation of mountain areas and encourage reafforestation.

Lastly, the Commission requests the Council to decide as soon as possible on the draft regulations already submitted to it concerning the improvement of the quality of foodstuffs both as regards human and animal foods and as regards the regulation of the use of certain substances employed in agriculture.

2. Notification of national projects to the Commission, with a view to possible Community-wide harmonization of urgent environmental measures

In order to reconcile national initiatives with the progress of the work undertaken at Community level, the Commission proposes that a procedure be set up for the supply of information to facilitate the harmonization throughout the Community of the urgent measures of environmental protection envisaged by individual Member States. A draft agreement between the representatives of the Member State governments meeting in the Council is the subject of a separate paper. In this paper the Commission requests the Member States to inform it of any projected laws, regulations or administrative

measures relating to the protection or improvement of the environment which are liable to affect the operation of the Common Market or the carrying out of the anti-pollution programme. The Member States should introduce such provisions only if the Commission does not within a period of two months from the receipt of the said information indicate its intention to present to the Council a proposal for the extension of the said provisions to the other Member States or to attain the same objective by other means. However, if the Commission does not present proposals to the Council within five months from the receipt of the said information, the government would be free to introduce the proposed provisions immediately. The same would apply if the Council, being notified of a proposal by the Commission, were not to decide upon it within five months from the date of receipt.

3. The working out of a common attitude both towards non-member countries (in particular the developing countries) and in the international organizations that deal with environmental problems

In order to permit the Community to take an active part in the work of the international organizations, and to ensure that its original and specific characteristics are taken into account in that work, the Commission considers that where there are not already Community provisions under which the Member States are required to adopt a common attitude, these States should work together and act jointly on environmental matters in these organizations in implementation of the provisions of the EEC Treaty. The Commission has already forwarded to the Council a proposal concerning the OECD notification and consultation procedure and a working document on the preparation of the agenda of the Stockholm Conference on the Human Environment.

4. Action to improve the working environment in factories and works

Independently of the developments contained in the preliminary guidelines for a Community social policy programme presented in March 1971, the Commission intends to make an immediate inventory of the laws, regulations and contracts relating to hygiene, safety and health of industrial workers, beginning with the metallurgical, chemical, paper and textile industries, and to consider the advisability of certain harmonizations in these fields. It also proposes to organize a systematic exchange of information on the experiments made within the Community with the aim of reducing the monotony and repetitive character of industrial work.

5. Action to increase and disseminate knowledge and information on the environment

Lastly, in order to improve and disseminate knowledge and information on environmental matters and also to promote deeper reflection on the changes imposed on political and economic systems by the general rise in the standard of living of growing populations, the Commission plans a series of projects which I have no time to describe in detail here:

- (a) a project to coordinate research;
- (b) the processing and dissemination of information on pollution and anti-pollution techniques;
- (c) preparation of a periodical report on the state of the environment in the Community;
- (d) training and teaching projects regarding the protection and improvement of the environment.

The Commission also considers that the drive to improve the quality of the environment is indispensable if the human race is to attain to greater fulfilment and that it will henceforward be necessary to consider economic development in a wider context, including social and ethical aspects. These could be studied more deeply, at the European level, in a European Institute of the Environment, the creation of which is under consideration by the Commission.

Because of their scope and complexity, and of the gravity and urgency of the problems which they raise, the forms of action proposed by the Commission to protect the environment can be undertaken only one at a time and in stages. This is why the Commission has decided to indicate the successive phases of the programme which it is presenting and the deadlines by which it undertakes to submit specific proposals. These proposals are at present being discussed by a special Council working party. I hope that positive results will be forthcoming in the next few months. Furthermore, the environment might be one of the subjects discussed at the next summit meeting.

At the end of this excessible long address (it is a vast subject and I thought it better to be longwinded rather than over-elliptical) I should like to try to answer this question: "How will your business be affected?".

### III. CONCLUSION

It is clear that all economic activities are more or less affected by environment policies.

A common European policy for the environment such as I have outlined to you is, I think, of definite interest to the business men of the Member States, including Great Britain.

It offers them the assurance of objective and equal treatment within the Community as regards decisions likely to affect their activities, through the definition by common agreement of:

- productivity norms,
- public health criteria and guide levels, with
- harmonization of the methods of measurement,
- the general rules and principles governing the
- economic measures to be taken - fiscal policy,
- aid policy, etc.

Business men can thereby be certain that they will not be discriminated against by comparison with their European competitors when, voluntarily or at the collective request, they have to see to it that their activities do not result in deterioration of the natural or the social environment.

This common environmental policy must also enable the Community of Ten to argue from a strong position in discussions with other countries, both industrialized and developing. The Community must not only be able to safeguard its interests when they are threatened; it must be able to play a decisive part in the concert of nations, to protect natural assets and improve the standard of living of mankind.

Great Britain has had long experience of environmental problems, and in many instances her past policy has brought astoundingly successful results. I am sure, therefore, that she will play a positive part in implementing a European environmental policy.

But, like the other Member countries, she can only do so if she is no longer inward-looking in this field but looks towards the Community and even towards the world. She can only do so if in this undertaking she has the unreserved backing of her people and her vigorous economic forces.

That is why I should like, in closing, to appeal to all the business men assembled here to take an active share in establishing this new common European policy, showing that they feel a common long-term responsibility to resolve mankind's unprecedented dilemmas that have arisen from man's own ill-controlled power.